

**MINUTES
COMMUNITY DEVELOPMENT REVOLVING LOAN FUND
LOAN COMMITTEE**

**Friday, June 10, 2016
Room 207, City Hall, 8:00 a.m.**

ROLL CALL:

Gary Delveaux	x	Ald. Tom De Wane	x
Matt Schueller	Exc.	Mike Vogel	Exc.
Mike Borlee	x		

Others Present: Wendy Townsend, Economic Development; Jyll Everman, Thomas Everman, Matthew Sherman, Anthony Ehrbar, Gather on Broadway, LLC.

The meeting was called to order by G. Delveaux at 8:00 a.m. All members were present as indicated above.

1. Approval of minutes from May 24, 2016 meeting.

A Motion to approve the minutes of the May 24, 2016 meeting of the Revolving Loan Fund Committee made by Ald. De Wane, seconded by M. Borlee. Motion carried.

2. Review the status of outstanding loans.

A Motion was made to receive and place the report on file made by M. Borlee, seconded by Ald. De Wane. Motion carried.

3. Review and action on a Revolving Loan Fund loan application from Gather on Broadway, LLC.

W. Townsend stated Gather on Broadway, LLC is requesting two loans, one for \$117,000 for restaurant equipment which will be at an interest rate of 4% amortized over 10 years and in a second position per the SBA and a second loan for \$132,000 to purchase the building which will be at an interest rate of 4% amortized over 15 years and in a 3rd position per the SBA for 139 N. Broadway, in downtown Green Bay.

The creative team of Gather on Broadway is looking to bring a unique, urban event space to the Broadway Business District. It will embrace all the charm of historic downtown Green Bay with a modern flair large event space that will host small to large venues in the downtown. The ownership team brings a professional chef with expertise in LA and Green Bay for catering and the leadership team of Elite Tent Rental for event and wedding planning. Patrons will enjoy 5-star fine dining service and experience that will be offered at prices that won't break the bank. The RLF funds are being requested

to help make up for the shortfalls in purchasing the building at 139 N. Broadway and restaurant equipment for this project.

A Motion was made to suspend the rules made by M. Borlee, seconded by Ald. De Wane. Motion carried.

T. Ehrbar stated that they bought Elite Tent Rental in 2013 from a previous owner and have grown the business from \$100,000 in the first year to \$450,000 this last year.

The building at 139 N. Broadway which is next to Karvana has 7200 square feet. They will be building out the back area with a full commercial kitchen. The front area will not have much change. It has an urban feel but it is a blank palate for a bride or corporate event. They will be offering cooking classes as well.

While weddings and private events are their core business, in-house and community events will also drive revenue. The client will pay a deposit upon booking and six months out a payment of 50% is required and the final payment is due at time of the event.

T. Ehrbar explained the cash flow for their business and provided a graph showing the cumulative cash flow versus the cumulative earned income. Weddings typically book 12 to 15 months in advance.

Ald. De Wane asked about parking for the events and how large of weddings can they accommodate.

T. Ehrbar stated 350 is the maximum seated for a wedding. They could accommodate up to 400 for cocktails or standing room only event. They have a lease with BMO bank for parking which is across the street which has 150 parking stalls. Behind Old Fort Howard Square there are approximately 200 metered spots available.

M. Borlee asked if they have closed on their property.

T. Ehrbar stated that they close on the property next week.

M. Borlee asked if the historic district posing any issues with SBA and do they have a liquor license.

W. Townsend stated that they are going before the Historic Preservation Board on Monday to explain what they are doing to the back of the building and they are working with the Clerk's office regarding their liquor license.

A motion to return to regular order was made by Ald. De Wane, seconded by M. Borlee. Motion carried.

After much discussion and the Committee's review of the financial information

submitted, a motion was made by M. Borlee, seconded by Ald. De Wane and unanimously carried to provide a loan to Gather on Broadway, LLC. Under the following terms and conditions:

- The Loan is for \$117,000 used for restaurant equipment which will be at an interest rate of 4% amortized over 10 years and in a second position per the SBA.
- The Loan is for \$132,000 to purchase the building which will be at an interest rate of 4% amortized over 15 years and in a 3rd position per the SBA.
- Create the equivalent of 18 full-time positions, all of which will be made available to low-to-moderate income individuals.
- The City of Green Bay will have a security agreement and personal guarantee on two loans from all principals at Gather on Broadway, LLC.

4. Adjourn

There being no further business, a motion to adjourn was made by Ald. De Wane, seconded by M. Borlee. Motion carried.